ARIZONA HOUSE OF REPRESENTATIVES

HB 2602: running nodes; blockchain; regulation prohibition

PRIME SPONSOR: Representative Weninger, LD 17

BILL STATUS: Chaptered
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Abstract
Relating to the regulation of blockchain technology nodes.

Provisions
1. Defines *running a node on blockchain technology* as delivering the computerized processing power to confirm or encrypt transactions in the blockchain. (Sec. 1, 2)

2. Declares that regulating the act of *running a node on blockchain technology* in a person's residence is of statewide concern and prohibits further regulation by any city, town or county. (Sec. 1, 2)

3. Prohibits a city, town or county from impeding a person *running a node on blockchain technology* in a residence. (Sec. 1, 2)

Current Law
Laws 2017, Chapter 97, classifies a signature, record or contract secured through *blockchain technology* as an official electronic form of signature or record. Further, this law authorizes a *smart contract* in commerce transactions and confirms the validity, which cannot be denied legal standing or enforceability solely due to its smart contract term. (A.R.S. § 44-7061)

Additional Information
National Conference of State Legislatures (NCSL) issued a Legisbrief in November 2017 that explains the blockchain process and describes blockchain as *a shared ledger database that records and shares every transaction that occurs in the network of users*.

According to NCSL, five states— Arizona, Delaware, Illinois, Nevada and Vermont—have adopted blockchain legislation.

☐ Prop 105 (45 votes)　　☐ Prop 108 (40 votes)　　☐ Emergency (40 votes)　　☐ Fiscal Note